

How Social Shoppers Share Local Deals

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Social deal site users ages 25 to 44 share offers most

Growth in daily deal site usage is still rapid, according to April 2011 site rankings from Compete. The analytics firm reported that visits to Groupon rose 5.4% over March and a dramatic 655.8% over the previous April to 24 million uniques.

At the same time, competitor LivingSocial increased unique visitors by 32.7% month over month and 418.4% year over year.

These sites depend not only on consumers purchasing their highly discounted local deals, but also on consumers sharing them. And research from mobile Wi-Fi hotspot provider JiWire suggests many web users are doing both.

In a Q1 2011 survey of its Wi-Fi Media Channel users, JiWire found that 44% made a purchase from a social shopping deal site, such as Groupon or LivingSocial, at least once a month.

That includes 14% who do so at least once a week. Fewer than one-third of mobile Wi-Fi users said they never used social deals sites.

Purchasing local deals was more frequent among users under age 45. Those ages 25 to 44 were most likely to purchase a deal overall.

Daily deal sites typically encourage users to pass along offers to friends and family via email or social media, to spread usage virally.

The JiWire research indicates the pass-along value of such coupons is high, with more than six in 10 mobile-Wi-Fi-using respondents sharing local deals with their friends.

Those over 45 were least likely to share, but a majority still did so. Respondents ages 25 to 44 were most active in this aspect of local deals as well. In addition, women were slightly more likely to share than men.

Other research also shows that, while usage of social shopping sites is fairly robust among older internet users, millennials and Gen Xers are more likely to be users.

Research firm Morpace found in February 2011 that 40.2% of 18- to 34-year-old online consumers used Groupon, compared with 34.1% of 35- to 54-year-olds and 23.2% of those 55 and over.

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